

From: Wayne Hedberg
To: "MaryAnn_Wright@ut.blm.gov".MAIL.MNET
Date: 8/31/00 2:25PM
Subject: White River Oil Shale Project - DOGM Position (M/047/017)

Mary Ann,

As followup to the telefaxes I sent to you yesterday, I spoke with Pam and Lowell this morning about this matter. I showed them the material I faxed over and we agreed that the signed release agreements should be adequate to demonstrate that the Division has relinquished its continued jurisdiction over this property. The BLM assumed responsibility for management and reclamation of the properties upon the effective date of the signed agreements.

Therefore, the BLM does not need our approval before they proceed to reclaim this mine site. Nor do we need to review and approve of any changes made by the BLM to the original approved reclamation plans.

I hope this satisfies the BLM's request for clarification and we can now put this matter to rest. Let me know if you have further questions in this regard.

Wayne

CC: Anthony Gallegos; Lowell Braxton; Pam Grubaugh-Littig; Stan_Perkes@ut.blm.gov

TRANSACTION REPORT

P. 01

AUG-30-2000 WED 11:06 AM

FOR: OIL, GAS & MINING

801 359 3940

DATE	START	RECEIVER	TX TIME	PAGES	TYPE	NOTE	M#	DP
AUG-30	11:03 AM	5394200	2' 58"	9	SEND	OK	672	
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State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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Michael O. Leavitt
Governor

Lowell P. Braxton
Division Director

FACSIMILE COVER SHEET

DATE: AUGUST 30, 2000

NUMBER OF PAGES INCLUDING THIS COVER SHEET: 9

TO: MARY ANN WRIGHT &/OR STAN PERKES
BLM STATE OFFICE - MINERALS

FAX NUMBER: 539-4200

FROM: Wayne Hedberg

Minerals Reclamation and Development Program

PHONE: (801) 538-5291



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DEPARTMENT OF NATURAL RESOURCES
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FAX NUMBER: 539-4200

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Minerals Reclamation and Development Program

PHONE: (801) 538-5291

FAX: (801) 359-3940

SUBJECT: WHITE RIVER OIL SHALE PROJECT - M/047/017
RELEASE DOCUMENTS SHALE LEASES

REMARKS: I LOCATED A FEW MORE DOCUMENTS
RELATED TO THE RELEASE OF THE
WHITE RIVER OIL SHALE PROJECT. THE
"RELEASE AGREEMENTS" MAY BE WHAT
YOU NEED TO ANSWER THE QUESTION
ABOUT DOGM REVIEW/APPROVAL AUTHORITY.
CONTINUED

Should you encounter any problems with this copy, or do not receive all the pages, please call

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CHANGE IN FILE STATUS
APPROVAL FORM

DATE November 4, 1986

CURRENT FILE NO. ACT/047/017

RECOMMENDED FILE NO. INA/047/017

COMPANY AND MINE NAME White River Shale Oil Corp - White River

REASON FOR CHANGE IN FILE STATUS

White River Oil Shale Corporation relinquished the leases on this BLM land and gave the \$40 million dollar facilities to the BLM. The Division has waived all reclamation requirements.

*I have some rainy day slides of this operation as of
10-1-86 LPB*

REQUESTORS NAME Frank Filas, Engineer

REQUESTORS SIGNATURE _____

ADMINISTRATOR'S NAME Lowell Braxton

ADMINISTRATOR SIGNATURE L.P.B. 11/12/86

0943R

RELEASE FOR
FEDERAL OIL SHALE LEASE U-25918 and U-26194

1. This Release is made by the State of Utah, Division of Oil, Gas and Mining ("DOGM"), and the United States of America, acting through the Bureau of Land Management of the United States Department of Interior ("BLM"), pursuant to the Agreement dated as of August 29, 1986 between and among the United States of America, acting through the Bureau of Land Management of the United States Department of the Interior ("BLM"), White River Shale Oil Corporation ("White River"), Phillips Petroleum Company ("Phillips"), Standard Oil Alternate Energy Development Company ("Standard Oil") and Sun Shale Oil Company ("Sun").
2. This Release is made in consideration of said Agreement and the obligations assumed herein by the BLM and shall be irrevocable and not subject to withdrawal, provided that it is expressly agreed to and acknowledged by the BLM, as evidenced by their signature below, that the BLM accepts all Claims and responsibilities for reclamation under Oil Shale Lease U-25918 and Oil Shale Lease U-26194, together with the Oil Shale Lease Environmental Stipulations attached thereto.
3. The DOGM hereby extinguishes, discharges, releases, waives, and abandons all Claims (as hereinafter defined) against and as to White River, Phillips, Standard Oil or Sun which relate to, arise out of, or are based upon the terms, conditions, requirements and prohibitions imposed upon the Lessee, or upon Lessee's agents, employees, contractors and representatives, under Oil Shale Lease U-25918 and Oil Shale Lease U-26194, together with the Oil Shale Lease Environmental Stipulations attached thereto. As used herein, the term Claims means all claims and causes of actions and any other actions or assessments for money or other property (as damages, either direct or indirect, or for restitution, contribution or otherwise) or for specific performance or other equitable relief, whether now existing or arising in the future, at common law or in constitution, or otherwise, and whether known or unknown.
4. The BLM hereby releases DOGM from any and all reclamation responsibilities, and DOGM in addition, hereby releases White River, Phillips, Standard Oil and Sun from any and all requirements to continue in effect any existing bonds to assure compliance with the terms and conditions of said Oil Shale Leases and Utah Code Annotated, Section 40-8 et seq. (1953, as amended), including reclamation, consisting of but not limited to:


1. Insurance Company of North America
Nationwide Mineral Lease Bond No. K00683449-C-121
2. Insurance Company of North America
Oil Shale Lease Operations Bond No. K00683449-L86
3. Insurance Company of North America
Oil Shale Lease Compliance Bond No. K00683449-A-143
4. Federal Insurance Company
Oil Shale Lease Operations Bond No. 80664398
5. Federal Insurance Company
Oil Shale Lease Compliance Bond No. 80664399


5. This Release shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

IN WITNESS WHEREOF, this agreement is executed this 27th day of August, 1986.

STATE OF UTAH
Division of Oil, Gas and Mining

U.S. DEPARTMENT OF THE INTERIOR
Bureau of Land Management


Dianne R. Nielson
Director


Roland G. Robison
State Director

Department of Natural Resources


Dee C. Hansen
Executive Director

APPROVED AS TO FORM:


Mark C. Maenel
Assistant Attorney General


EXHIBIT A
RELEASE OF CLAIMS

1. This release is made by the United States of America, acting through the Bureau of Land Management ("Bureau") of the United States Department of the Interior, pursuant to the Agreement dated as of August 29, 1986 between and among the Bureau, White River Shale Oil Corporation ("White River"), Phillips Petroleum Company ("Phillips"), Standard Oil Alternate Energy Development Company ("Standard Oil") and Sun Shale Oil Company ("Sun").
2. This Release is made in consideration of said Agreement and shall be irrevocable and not subject to withdrawal.
3. The Bureau hereby extinguishes, discharges, releases, waives, and abandons all Claims (as hereinafter defined) against and as to White River, Phillips, Standard Oil or Sun which relate to, arise out of, or are based upon the terms, conditions, requirements and prohibitions imposed upon the Lessee, or upon Lessee's agents, employees, contractors and representatives, under Oil Shale Lease U 25918 or Oil Shale Lease U 26194, together with the Oil Shale Lease Environmental Stipulations attached thereto. As used herein, the term Claims means all claims and causes of actions and any other actions or assessments for money or other property (as damages, either direct or indirect, or for restitution, contribution or otherwise) or for specific performance or other equitable relief, whether now existing or arising in the future, at common law or in equity, or created by any rule of law, regulatory order, statute, constitution, or otherwise, and whether known or unknown.
4. The Bureau, in addition, hereby releases White River, Phillips, Standard Oil and Sun from any and all requirements to continue in effect any existing bonds to assure compliance with the terms and conditions of said Oil Shale Leases, including reclamation, consisting of but not limited to:
 1. Insurance Company of North America
Nationwide Mineral Lease Bond No. K00683449-C-121
 2. Insurance Company of North America
Oil Shale Lease Operations Bond No. K00683449-L-86
 3. Insurance Company of North America
Oil Shale Lease Compliance Bond No. K00683449-A-143
 4. Federal Insurance Company
Oil Shale Lease Operations Bond No. 80664398
 5. Federal Insurance Company
Oil Shale Lease Compliance Bond No. 80664399

5. This Release shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

Dated: SEP 29 1986

United States of America, acting
through the Bureau of Land Management
of the United States
Department of the Interior

By: 
Roland G. Robison
Utah State Director



NEWSLETTER

BLM • VERNAL DISTRICT • UTAH

September 1986

The regular quarterly District Newsletter for September was purposely delayed pending the final outcome of two critical district issues: 1) The resolution of the wild horse issue prompted by a court injunction against BLM by the Ute Indian Tribe and, 2) The final disposition of the White River Oil Shale facilities. We are pleased to announce that both issues have been resolved.

WILD HORSE ISSUE

As far back as 1984, through the Book Cliffs Resource Management Plan, the Vernal District made public its plans to remove two of its three wild horse herds and place them in the Adopt-A-Horse program. The Winter Ridge herd was down to about ten or eleven head from a herd of 40 and does not seem to be able to perpetuate itself. The Bonanza-Red Wash herd was estimated at 40 head. The Bonanza-Red Wash herd was requiring 80 to 90 percent of the District's wild horse funds and manpower and was beset with numerous management problems.

Two problems arose relative to the District's planned wild horse roundup: 1) For the first time, opposition to the removal of the Bonanza-Red Wash herd surfaced. In response to the opposition, a special public meeting was called for the purpose of hearing public concern and to explain the District's proposals. As a result, a group of concerned citizens incorporated to form a group called Wild Horse Preservation and Management, Inc., and pledged support to maintain the herd. District management is committed to work with the group on a trial basis. 2) The second problem surfaced after the roundup of 130 horses with members of the Ute Tribe claiming all of the horses belonged to them! The tribe obtained a court injunction prohibiting BLM from taking any action pending settlement and a trial that resulted in no decision on ownership. What followed was two weeks of negotiation to attempt to reach a compromise settlement.

In the resulting agreement, the tribe acknowledged that BLM did have a wild horse herd in the Bonanza-Red Wash area and agreed to release claim to the 13 horses still roaming the area and to furnish 20 additional wild horses of BLM's choosing from stock existing on Indian Reservations outside of Utah. The tribe will bear the cost of transporting those horses to Vernal and they have 30-days to deliver. The District feels that the addition of new blood into the herd will be very advantageous. The agreement was signed on Friday, October 3. In return, BLM released all of the disputed horses to Tribal members. The fence that contributed to the problem of Indian horses crossing the Reservation boundary on to public lands is now being repaired.

The district plans to delay decision of final removal of the Bonanza-Red Wash herd for approximately three years pending determination of the resolution of trespass and other management problems and the wild horse groups ability to provide assistance. We may then revise the Book Cliffs Resource Management Plan and continue to maintain the herd.

WHITE RIVER SHALE OIL CORPORATION ISSUE

On December 31, 1985, the White River Oil Shale Corporation (WROSC) relinquished the leases on two tracts known as U-a and U-b totaling over 10,000 acres to the Bureau of Land Management (BLM). The leases were relinquished because of economic and technological factors.

Facilities on the site had been constructed at the cost of over 40-million dollars. Both BLM and the WROSC felt it would be a terrible waste to tear down the facilities and reclaim the site if there was any possibility that economic factors could change and the facilities could again be used.

What followed was nearly nine months of cooperative negotiations which resulted in the three parent companies of the WROSC depositing a total of one million dollars to a government account with BLM as the beneficiary. The one million dollars will be used to maintain the facilities for future use. In return, the parent companies are released from any future liability concerning

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Vernal District Office

170 South 500 East

Vernal, Utah 84058

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DIVISION OF
OIL, GAS & MINING

"AN EQUAL OPPORTUNITY EMPLOYER"

the site and facilities. If it is determined at some future time that it is no longer feasible to provide security and maintenance to the site and that no other suitable use can be determined, the part of the money remaining will be used to remove the facilities and reclaim the site.

The BLM would like very much to have the site used for purposes for which it was designed, but should that prove futile, is open to suggestions for other suitable uses.

A paved highway leads to the site which is located about 50 miles southeast of Vernal and on-site facilities include: a 22,000 square foot mine service building with offices, storage and warehouse space; a water treatment plant; a mine hoist and head frame; a declining primary mine access nearly one mile long which is 12.5 feet high and about 18 feet wide; an electrical switch gear building with a 13.9 KV capacity; and a retention dam 700 feet long and 64 feet high. The supplementary equipment to service all the forementioned facilities is for the most part in place and capable of functioning.

Tours can be arranged for businesses or firms having a genuine interest in use of the site facilities by contacting Paul Andrews, Bookcliffs Area Manager, at 789-1362.

VERNAL DISTRICT GRAZING ADVISORY BOARD MEETING

The Vernal District Grazing Advisory Board met on September 26, 1986. Dean Chew, a Representative At Large, was chosen as Board Chairperson. Paul McCoy, Diamond Mountain Cattle Representative was chosen as Vice-Chairperson. Other board members include: Floyd Cook, Diamond Mountain Sheep Representative, Meril Snow, Book Cliffs Cattle Representative, and Nick Theo, Book Cliffs Sheep Representative.

The Board made the following recommendations: 1) To send a letter recommending that Mormon Cricket research be included in the National Grasshopper/Cricket Research and Development Project; 2) Forward an Advisory Board recommendation supporting State Department of Agriculture request for \$100,000 Federal Funding to support State noxious weed program; 3 & 4) Prepare a subleasing summary and user maintenance report for future Board review; 5) Inform Richfield Grazing Advisory Board that local Loco-weed does not warrant participation in proposed research; 6) Involve Board in all proposed land exchanges affecting users; 7) Schedule development of 1987 projects in priority as approved; 8) Recommend that \$10,000 of Board funds go to FY 87 Land Treatment work and 9) Consider any Board or User recommendations in predator control actions with ADC.

Complete Grazing Advisory minutes may be obtained from the District.



NEWSLETTER

BLM • VERNAL DISTRICT • UTAH

WHITE RIVER SHALE OIL CORPORATION RELINQUISHES LEASE

March, 1986

Officers of the White River Shale Oil Corporation relinquished special shale oil sites U-A and U-B to the state office of BLM effective at years end, 1985. As a result of the action, BLM is faced with the decision of determining what action should be taken relative to the land tracts and existing facilities which include: Water treatment plant, 19,000 square feet mine service building, a sewage treatment plant, a mine hoist and head frame; also a 13.8 KV electric switch gear building, a retention dam of 230 acre feet capacity and nearly 4,800 feet of underground mine shaft, plus other lesser facilities.

The BLM's first priority would be to find another lessee, or, failing to do that, find another suitable use for the site and facilities or, last of all, to have facilities and equipment removed and reclaim the land, the latter being a last resort.

Said one BLM spokesman, "There are several millions of dollars worth of facilities on site and we want to find a suitable use for them." Interested? Contact Ron Bolander, BLM State Office.

DISTRICT EMPLOYEES RECEIVE CASH AWARDS AND COMMENDATION FROM ANOTHER AGENCY

In a somewhat rare occasion, the Bureau of Reclamation awarded letters of commendation and cash awards to 13-employees of another agency - in this case, employees of the Vernal District of the Bureau of Land Management (BLM).

The awards evolved from a cooperative interagency agreement in which the Vernal District designed, planned, and executed a complete stock watering and retaining project at Red Fleet Reservoir.

The recognition cited the BLM employees for what was described as, "a diligent and professional textbook example of how to accomplish these types of developments." The citation further stated that the work was completed "ahead of schedule" resulting in "substantial savings to the government." Employees receiving citations for their "outstanding team accomplishments" were: Mason Hall, Charlie Gindler, Arden Hacking, Danial Preauner, Pat Bradley, Jean Sinclear, Vernon Isaacs, Dee Brough, Reed Hansen, Gary Hunter, Bruce Aldridge, Tim Faircloth and Eldon Watson.

JOHN JARVIE HISTORICAL SITE LISTED WITH NRHP

The John Jarvie Historical Site of Brown's Park was officially listed on the National Register of Historic Places (NHRP) effective June 14, 1986.

John Jarvie moved to Brown's Park in 1880 and quickly established a store (the only one in 10-miles radius) a post office, and a river ferry. Nearly everyone, the good and the bad, who spent any time at all in Brown's Park during that era, came into contact with Jarvie and his property. Until the early 1900's it was the hub of Brown's Park activities.

Many of the buildings of Jarvie's era still remain. Site tours are conducted daily from 9 a.m. to 5 p.m.

VERNAL SCHEDULES WILDERNESS OPENHOUSE AND PUBLIC COMMENT MEETING

An openhouse for the purpose of providing wilderness information to the public is set for April 17, at the Vernal District Office from 2 p.m. to 7:30 p.m.

A public comment meeting concerning wilderness is scheduled for May 7, beginning at 7:00 a.m. in the District Conference Room at 170 South 500 East, Vernal. Written wilderness public comments will be received by the State Office - BLM until June 15, 1986. Public comments should be directed toward the adequacy of the DEIS.

White River Oil
Shale

From: Wayne Hedberg
To: Anthony Gallegos
Date: 7/20/00 9:03AM
Subject: Re: White River Oil Shale M/047/017 - reclamation requirements for BLM?

Tony,
I agree, we should probably discuss this with management for a final position, but I would suggest that turning over final reclamation requirements directly to the BLM probably makes the most sense (if our rules and Statute allow us to do this). Help me remember to chat with Mary Ann and/or Lowell about this when they return. I'll copy each with this email.
Thanks for heads up.
Wayne

>>> Anthony Gallegos 07/20/00 08:58AM >>>
Wayne,

Stan Perkes at the BLM State Office called to discuss the reclamation requirements for the White River Oil Shale Project. More specifically, he wanted to know if the BLM has a reclamation obligation to our Division. That is, does the BLM have to follow our reclamation plan or submit amendments to the reclamation plan for our approval?

I checked the file and found no specific letter addressing this question. If the BLM is now the operator it creates sort of a mobius loop for reclamation release: (1) the BLM asks DOGM if the reclamation is satisfactory, (2) DOGM asks the land managing agency (BLM) if they are happy with the reclamation before we can release it, (3) DOGM tells the operator (BLM) that the land managing agency (BLM) is satisfied with the reclamation so the operator (BLM) is released by DOGM and the land managing agency (BLM).

I think we will need to clarify the reclamation requirements or release responsibility for reclamation of the site to the BLM entirely. Either way, we should address this issue with a letter sometime soon so the BLM can move on reclamation of the site. Who can sign such a letter releasing reclamation responsibility for a permit? Director or Board?

Stan will be visiting our office today to review the file for any reclamation plans.

Let me know your thoughts on how to proceed.

thanks,

tony

CC: Lowell Braxton; Mary Ann Wright